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Judith A. Riley, J.D.

2912 Lakeside Drive, Suite 100 Oklahoma City, OK 73120

September 22, 2004

Arizona Corporation Commission Docket Control 1200 W. Washington Street Phoenix, AZ 85007

Re:

Docket No: T-03100A-04-0468

Staff's Second Set of Data Requests AmeriVision Communications. Inc.

Staff 2-1

This response is being provided by:
lvette Castro, Manager, Billing/Revenue Assurance
AmeriVision Communications, Inc.
One Broadway Executive Park
201 NW 63rd, Suite 200
Oklahoma City, Ok 73116

Qwest rates for bill rendering will increase \$0.75 per bill on 12/31/04. The SBC contract expires at the end of the year also, but we do not have the new contracts yet so I am unable to determine what the new rates will be. The same is true for the Verizon rates. That contract renews in March 2005.

Staff 2-2

This response is being provided by:
Ivette Castro, Manager, Billing/Revenue Assurance
AmeriVision Communications, Inc.
One Broadway Executive Park
201 NW 63rd, Suite 200
Oklahoma City, Ok 73116

Arizona Corporation Commission

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There are 3 LECs that AmeriVision does billing with in Arizona. They are Southwestern Bell (SBC), QWest, and Verizon Region 8. Each of these companies charge AmeriVision for each customer they bill on AmeriVision's behalf. I outlined the rates for SBC and

Verizon in response to Staff's 1<sup>st</sup> Set of Data Requests. Using the same methodology, Qwest rates are as follows:

## **Used Current Qwest rates:**

1.50 bill rendering fee

.055 per message processed - this is a charge per items such as: MSF, USF, LEC Billing fee. (usually 3 of these per bill)

.055 per mechanized End User adjustment such as: Credit, Debit, State Tax, Federal Tax, Muni Tax, LEC billing fee. On the average a customer will have at least 3 of these as they may not have any credits, debits

.055 per call record on the bill average of 20 calls.

.07 per marketing message put on bill

.02 for internal expenses such as accounting

.02 for internal processing of CDR/EMI records by IT

So in this case the average bill would cost us \$ 3.04, if they had 20 calls. After 12/31/04 the average bill cost will increase \$0.75.

The current average cost of the 3 scenarios outlined would be \$3.04 per customer billed by the LEC. After 12/31/04 the average cost will be \$3.29. There are other costs that could be associated to LEC billing, such as administrative fees that we are charged when a customer calls for billing inquiries but I do not know how many customers call in by LEC and therefore can not estimate an amount to allocate at this time.

As explained above, a rate increase is necessary to keep pace with the costs associated with offering our Customers the option of being billed for their long distance on their local service bill.

Should anything further be required, please let me know.

Sincerely,

Judith A. Riley